

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7745**

**BILL NUMBER:** SB 509

**NOTE PREPARED:** Jan 17, 2003

**BILL AMENDED:**

**SUBJECT:** Mandated Health Coverage Evaluation.

**FIRST AUTHOR:** Sen. Ford

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill establishes the Mandated Health Coverage Evaluation Commission. The bill requires the Commission to gather and evaluate information concerning legislative proposals that mandate health coverage for specified services.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** This bill establishes a Mandated Health Insurance Services Evaluation Commission to analyze health insurance benefits that are mandated in certain bills or resolutions. The Commission consists of twelve members. Four of the members are legislators and eight are lay members. Lay members are entitled to a per diem and travel expenses. State employees who are members of the Commission will be reimbursed for travel expenses. Legislative members of the Commission will receive a per diem and travel expenses. The Legislative Services Agency will provide the administrative support for the Commission.

The responsibilities of the Commission include studying the availability of the health service, the effectiveness of the service for patient treatment, and the financial impact of providing insurance coverage to insurers, employers, and health care providers. The bill provides that the Commission may have an actuarial analysis prepared for each type of coverage that an evaluated bill or resolution mandates if resources are available for such an analysis.

The expenses incurred by the Commission will depend upon the frequency of its meetings and upon the action of the Legislative Council.

*Background Information:* The Ohio State Government recently passed legislation that arranges for healthcare actuarial reviews of bills that contain a mandated health services benefit. The Ohio Legislative Budget Office estimates that the actuarial analysis costs approximately \$15,000 to \$30,000 per bill.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Legislative Services Agency.

**Local Agencies Affected:**

**Information Sources:** Ohio Legislative Budget Office.

**Fiscal Analyst:** John Parkey, 317-232-9854